

## **REMARKS**

Applicants reply to the Final Office Action dated December 28, 2006 within two months. Thus, Applicants request an Advisory Action, if necessary. Claims 1 and 3-41 were pending in the application and the Examiner rejects claims 1 and 3-41. Support for the amendments may be found in the originally-filed specification, claims, and figures. No new matter has been introduced by these amendments. Reconsideration of this application is respectfully requested.

### **Objections under 35 U.S.C. § 132**

The Examiner objects to the amendments filed on October 9, 2006 under 35 U.S.C. § 132(a) as introducing new matter into the disclosure. Specifically, the Examiner asserts that claims 3, 4, 7, and 8 “have been amended to recite that ‘a currency value’ is credited to a third party, a stored account, etc.” and “the ‘currency value’ claimed in these claims is not the same as the ‘currency value’ that is credited to the account of the participant in claim 1 or 5” (page 2, item 1). Applicants amend the claims to clarify that the “currency value” recited in claims 3, 4, 7, and 8 and the ‘currency value’ recited by independent claim 1 are one in the same.

### **Rejections under 35 U.S.C. § 112**

The Examiner rejects claims 3, 4, 7, and 8 under 35 U.S.C. § 112, first paragraph, as failing to comply with the written description requirement. Specifically, the Examiner has rejected the claims for the same reasons as set forth in the objection to the amendments under 35 U.S.C. § 132(a). Applicants assert that amended claims 3, 4, 7, and 8 are compliant with 35 U.S.C. § 112, first paragraph, as it is now clear that the “currency value” recited in claims 3, 4, 7, and 8 and the ‘currency value’ recited by independent claim 1 are one in the same.

### **Rejections under 35 U.S.C. § 102(b)**

The Examiner rejects claim 33 under 35 U.S.C. § 102(b) as being anticipated by Burton et al., U.S. Patent No. 5,025,372, (“Burton”). Applicants respectfully traverse the rejection.

Burton generally discloses a system for awarding a credit card holder with monetary rewards based on performance. The Burton system enables the card holder to elect to have all or a portion of the monetary awards allocated to a credit card account, which may later be used to facilitate purchases. The card sponsor determines a level of achievement (e.g., employee sales goals) that the card holder must obtain in order to have a specified monetary reward credited to their credit card account. Burton further discloses that at regular intervals (e.g., annually,

semiannually, quarterly), the system analyzes the card holder performance over the previous period, determines a number of points to be awarded based on the performance level, determines if any bonus points have been earned, and applies the sum value to the card holder's account. At that point, the card holder may use the awarded point value to facilitate a purchase.

For example, before receiving any monetary reward or points using the Burton system, a card holder may use her credit card to purchase a \$200 tennis racket. When the card holder receives her next statement, a charge for \$200 will appear, of which the card holder is expected to pay. Following a performance review period, the card holder is awarded a credit of \$500 based on her performance. The employee may subsequently use the awarded credit to facilitate a new purchase; however, the \$500 credit cannot be used to pay the previous charge for the tennis racket because the purchase occurred prior to the awarding of the \$500 credit.

The teachings of Burton (as illustrated by the example above) are contrary to the presently claimed invention. Using a similar example, the Examiner will appreciate the features that differentiate the present invention from the cited reference. Using the presently claimed invention, the card holder has not been awarded any points as of April 8, 2006. However, the card holder is still able to charge a \$200 tennis racket on April 8, 2006 on her charge card and the \$200 charge will simply appear on her charge card statement in about one month, as is known in the art. Between April 8 and April 30, the card holder has earned 2000 loyalty points with a monetary conversion value of \$500, so the card holder's loyalty point account now includes 2000 loyalty points. When the card holder receives her charge card statement, the \$200 charge will appear, along with a credit of \$500 that the card holder may use to offset the \$200 charge. Thus, even though the awards were not earned or issued until after the tennis racket purchase, the benefit of the award points may be realized at the time of the subsequent request for payment in the statement. In contrast, the Burton card holder is only able to benefit from the award points for purchases occurring **after the issuance** of the award points. As such, Burton does not disclose or suggest at least, "applying said currency value as a credit to a financial account of said participant, wherein said financial account is stored on a second database system, and wherein said currency value is applied to offset an a previously executed charge," (emphasis added) as recited by independent claim 33. Moreover, the Burton does not disclose or suggest at least "receiving, from said participant, a request to apply a currency value of said loyalty points to a charge."

**Rejections under 35 U.S.C. § 103(a)**

The Examiner rejects claim 1, 3-12, 19, 24-28, 34, 35, and 37 under 35 U.S.C. § 102(b) as being anticipated by Burton et al., U.S. Patent No. 5,025,372, (“Burton”). Applicants respectfully traverse the rejection.

As stated above in reference to the Examiners rejection of claim 33, the card holder, as disclosed by Burton, is only able to benefit from the award points for purchases occurring **after the issuance** of the award points. As such, Burton does not disclose or suggest at least, “applying said currency value as a credit to a financial account of said participant, wherein said financial account is stored on a second database system, and wherein said currency value is applied to offset a previously executed charge,” (emphasis added) as similarly recited by independent claims 1, 5, 19, 24, and 37. Moreover, the Burton does not disclose or suggest at least “receiving, from said participant, a request to apply a currency value of said loyalty points to a charge,” as similarly recited in independent claims 1, 5 and 19.

Claims 3, 4, 6-12, and 25-28 variously depend from independent claims 1, 5, 19, and 24. Applicants assert that dependent claims 3, 4, 6-12, and 25-28 are differentiated from the cited reference for at least the same reasons as set forth above, as well as their own respective features.

Claims 34 and 35 depend from independent claim 33. Applicants assert that dependent claims 34 and 35 are differentiated from the cited reference for at least the same reasons as set forth above in reference to the 35 U.S.C. § 102(b) rejection, as well as their own respective features.

The Examiner next rejects claim 13-18, 20-23, 29-32, 36, and 38-41 under 35 U.S.C. § 103(a) as being unpatentable over Burton in view of Storey, U.S. Patent No. 5,774,870. Applicants respectfully traverse the rejection.

Storey generally discloses an online frequency reward program, where a user may shop catalogs online for products to purchase through the redemption of loyalty points. Storey further facilitates management of the loyalty account, electronically placing an award redeeming order with a fulfillment house, and updating the user’s award account. As in Burton, user’s of the Storey system may use earned loyalty points to facilitate a purchase transaction only when the purchase occurs after the date that such points are issued. As such, neither Burton, Storey, nor any combination thereof disclose or suggest at least, “posting said currency credit to said

financial transaction account, wherein said currency credit is applied to offset an a previously executed charge,” (emphasis added) as similarly recited by independent claims 23 and 38.

Claims 13-18, 20-22, 29-32, 36, and 39-41 variously depend from independent claims 5, 19, 24, 33, and 38. Applicants assert that dependent claims 13-18, 20-22, 29-32, 36, and 39-41 are differentiated from the cited reference for at least the same reasons as set forth above, as well as their own respective features.

Applicants respectfully submit that the pending claims are in condition for allowance. The Commissioner is hereby authorized to charge any fees which may be required, or credit any overpayment, to Deposit Account No. **19-2814**. If an extension of time is necessary, please accept this as a petition therefore. Applicants invite the Office to telephone the undersigned if the Examiner has any questions regarding this Reply or the present application in general.

Respectfully submitted,

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